

The American Observer

A free, virtuous and enlightened people must know well the great principles and causes on which their happiness depends. — James Monroe

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Congress Completes Legislative Program

Adjourns After Passing Most Important of President's Recommended Measures

REFORM BILLS OUTSTANDING

Social Security, Labor, Banking, Tax Bills Aimed at Economic Abuses

The first session of the Seventy-fourth Congress, which came to a close last week, will go down in history principally for the "reform" legislation it has enacted. The second New Deal Congress, it has complied with the President's requests for measures which would correct many of the abuses which have been held responsible for the economic maladjustments of the last five years. True, like the first New Deal Congress, it has enacted certain pieces of "emergency" legislation, outstanding among which is the works-relief program, which constituted the largest single appropriation in the history of any legislative body anywhere at any time. But the bulk of the bills passed have been aimed at reforms in the economic order. Social security, designed to remove some of the hazards resulting from unemployment and old age; banking legislation, the purpose of which is to give the federal government additional control over the credit policies of the nation; labor laws, attempting to clarify the relations between employer and employee; legislation designed rigidly to curb the holding companies in the electric utility field; the Guffey bill, drawn to put an extremely sick industry on its feet; amendments to the Tennessee Valley social experiment; and, finally, the tax bill, bringing a new philosophy to our fiscal policy; these are the major "reform" measures acted upon by the first session of the Seventy-fourth Congress.

Emergency Legislation

In the field of emergency legislation, the works-relief program, accepted after three months of bitter debate, is by far the most important of the session. It marks a desperate attempt on the part of the Roosevelt administration to break the back of the depression by providing jobs for a majority of the 10,000,000 persons still out of work, and "to quit the business of relief." Nearly five billion dollars was set apart for this purpose. The program is just now getting into full swing, and by the first of November those in charge of it hope to have nearly all the employable unemployed placed in jobs. In addition to the direct employment which will be afforded by this program, it is hoped that all American industry will be stimulated. By spending \$4,000,000,000 for roads, highways, grade-crossing elimination; for rural rehabilitation and electrification; for housing; for expansion of the work of the Civilian Conservation Corps; for flood control, reforestation, improvement of rivers and harbors, prevention of soil erosion; and for loans to states and local governments, the federal government will place huge orders with private concerns for materials, thus causing them to expand their activities and employ more persons.

Besides this act, the rest of the emergency legislation passed since the third of January

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The adjournment of Congress marked an important turning point for the Roosevelt administration. The President now looks to problems of administration and to his campaign for reelection.

Maintaining Your Independence

We are reminded too often of the bestiality of mobs. The effect of mobs or crowds upon the thinking and conduct of individuals manifests itself nearly every day—in lynchings, violence against unpopular groups of the population, and in dozens of other ways. There is danger in this influence, for it is nearly always evil. The individual, standing alone, has developed a personality, a conscience, standards of conduct. In most cases he is guided, to a considerable extent, by his judgment. When he gets into a crowd, however, he tends to lose his individuality and to become an unreasoning member of the group. He loses his distinctive personality and goes with the herd.

Since all, or nearly all, the members of the crowd lose their own distinctive characteristics, what remains? Only the animal impulses present in all persons. And when you save only those impulses which are common to all you have weeded out the finest fruits of civilized life. You have left only a lowest common denominator of desires, purposes, and impulses. That is why the action of crowds is likely to be less worthy than the action of any but the lowest individuals would have been had they acted alone. Now this rule applies not only to mobs but to other forms of mass action. Even though people may not be assembled together in physical proximity, we may see some of the manifestations of crowd behavior. When waves of fear or anger or anxiety or panic sweep over the country, as they do sometimes, individuals tend to lose the benefit of their own personal judgments and to go along with the masses in their emotions.

Individuality tends to submerge in times of crisis, such as war or the threat of war. Mass psychology dominates. Individual thinking almost ceases. Now and then we find a man or woman whose mind is so thoroughly disciplined that it continues to function normally even in times of crisis; even in times of popular hysteria. Now and then there is one who maintains his own personality in a crowd or in a period when mass psychology tends to obscure reason. Such a person is so masterful that he does not allow emotions such as anger or fear to throw him off the track easily. He is the captain of his soul in time of national crisis and on the more frequent occasions of personal or family crisis. Such is the type of individuality everyone should try to cultivate. It is the sort of education that should develop. The development of that sort of personal independence should stand as a goal for each self-respecting and purposeful person.

African Crisis Stirs Old Native Problem

Ethiopian Dispute Brings Wish for Freedom, but Few Tribes Have Power to Revolt

LANDS RICH IN RESOURCES

Treatment of Natives by European Conquerors Long a Major Political Issue

Is there any great danger that the African natives will rally to support the Ethiopians in case of an actual declaration of war by Italy, and will they stage local revolts against the colonial rule of England, France, and other countries? This problem, hitherto unconsidered, was raised recently by the remarks of two prominent statesmen. According to Viscount Snowden, former chancellor of the exchequer in England, "one certain outcome of the war will be to unite the colored people of the world." General Jan Christian Smuts, South African minister of justice, who has spent much of his life in a study of the native problem, is just as pessimistic: "The African does not look on the European as an enemy, but this trouble may raise intense racial and color feeling and make the position of the European much more difficult."

Africa Divided

Ethiopia is, of course, surrounded on all sides by colonies and protectorates, in which the native population far outnumbers the white. (See map on page 2.) To the west lie the vast regions of Anglo-Egyptian Sudan and French West Africa, to the south, the British colony of Kenya, the mandate of Tanganyika, Belgian Congo, and the Union of South Africa. On the east are Italy's possessions of Eritrea and Somaliland. And yet, in spite of the increased anti-European feeling which is bound to grow up, the fears of racial trouble seem rather exaggerated at the present time. Italians and Negroes may quarrel elsewhere, as they did in New York recently, but the natives are hardly in any position to stage a successful uprising against the well-organized colonial administrations. There are hundreds of different tribes and clans, each with its own individual superstitions and customs. There is no one religion which could act as a goad into action. Lacking in leadership and decidedly poor in wealth and the implements of war, the natives would scarcely have either the nerve or the incentive to spring into rebellion. To date, only one small tribe in South Africa has offered assistance to Ethiopia.

There are, nevertheless, conditions in Africa which do not make for peace in the future. Kenya is one of the colonies which seems least quiescent at the present time. Endowed with suitable climate, excellent soil in some sections, and a vast territory of virtually untapped mineral resources, this colony has quite naturally attracted the man whose desire to gain wealth has seldom been tempered by humanitarian idealism. Julian Huxley, noted English writer, said upon returning from a visit to the region: "Well over nine-tenths of the non-official European population think that as many as possible of its black population should be directly or indirectly compelled

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Historical Backgrounds

By David S. Muzzey and Paul D. Miller

The Changing Nature of Government

It is proper that this series of discussions, which during the last three months has been treating the outstanding economic and social trends of the present century, should close with a brief survey of the changing functions of government during that period. It has been the social and economic changes that are directly responsible for the new functions of governmental units, federal, state, and local. Transportation and communication advances have led to grave problems of public responsibility and control. The industrialization and urbanization of the country have made many of the functions of the old county government, designed as it was to meet conditions of a horse-and-buggy age, obsolete. Even state lines have become less significant than they were prior to the day of great social and economic interdependence.

Expansion

We cannot list all the instances where the functions of government have expanded in order to meet the changed conditions of the present era. Certainly the day when government was looked upon as chiefly a police power has passed, never to return. Political development has been shaped by a host of economic and social trends, such as the growth of mass-production technique in industry, the decline of agriculture, the conflict between economic and political control, the expansion of foreign trade and investment, and a dozen other related subjects.

Perhaps the most conspicuous trend in the field of government during the last 35 years has been the greater expansion of governmental control. Quantitatively this has shown itself in the responsibility which government has taken for services formerly performed by private individuals and organizations. Education, highway construction, regulation of economic forces, dozens of social services, the most recent additions of which have been old-age pensions and unemployment insurance, entry into economic domains formerly regarded as essentially private, such as the generation and distribution of electric power, and the building of private dwellings; these are but a few of the instances in which government's functions have been increased. Qualitatively, the change has been in the shifting of control from the decentralized authority to the central power; from the towns and counties to the states, and from the states to the national government. This centralization of power in the federal government has, under the pressure of economic stress, gone to such extremes that the question of state versus national rights threatens to become an issue in the next campaign.

Changes in Form

In the form of government, there have likewise been noticeable changes. Numerous experiments in political organizations have sprung up during the last 30 years or so—merging of county governments, city-manager plans, regional planning authorities to meet the needs of districts which transcend state and county lines, establishment of special commissions to deal with specific problems, investigation by experts of problems peculiar to the governmental unit, growth of the professional civil service in all branches of government. The list of innovations in the practices of government might be expanded indefinitely. Imposing as these changes appear at first sight, it should be remembered that, so far as all units of government are concerned, they have made little headway, and the art of government has, in the main, failed to keep pace with advances in other domains during the last three decades.

The problems which confront government today are so numerous as to elude specific citation. Professor Charles E. Merriam of the University of Chicago, writing the chapter on government in "Recent Social Trends," believes that "America has come to the parting of the ways in the

field of public relations." We can best get an idea of the magnitude of the problems which government will have to solve by citing the questions which Professor Merriam raises:

Future Problems

What shall be the scope and type of the functions of the government in terms of welfare, culture, industry, morality? And on what levels of organization shall these functions be distributed?

By what fiscal policies shall the burdens of taxation be borne?

of mighty social and economic groups that are pressing upon the individual from every side, or democracy against demagogues on the one side and plutocrats on the other?

African Crisis Stirs Old Native Problem

(Continued from page 1, column 4)

to work for the white." This philosophy of "keeping the native in his place" is reflected in the attitude with which Europeans there regard any native attempt to run an independent business or plantation. More recently there has been friction caused by the discovery of gold on the land especially set aside for the native, and by a ruthless attempt to ostracize and keep out the Indian traders, who for many years have

should conquer Ethiopia and then try to irrigate it, the situation might be different. The source of the Nile is Lake Tsana, 6,000 feet high in the Ethiopian mountains. Il Duce has broadly hinted that he might direct this water eastward, depriving the Sudan of the means for growing its two main products, cotton and gum arabic. England is not a little concerned with this problem, for should the Nile be drained, the resulting unemployment and discord would furnish the necessary ammunition for a grand political explosion.

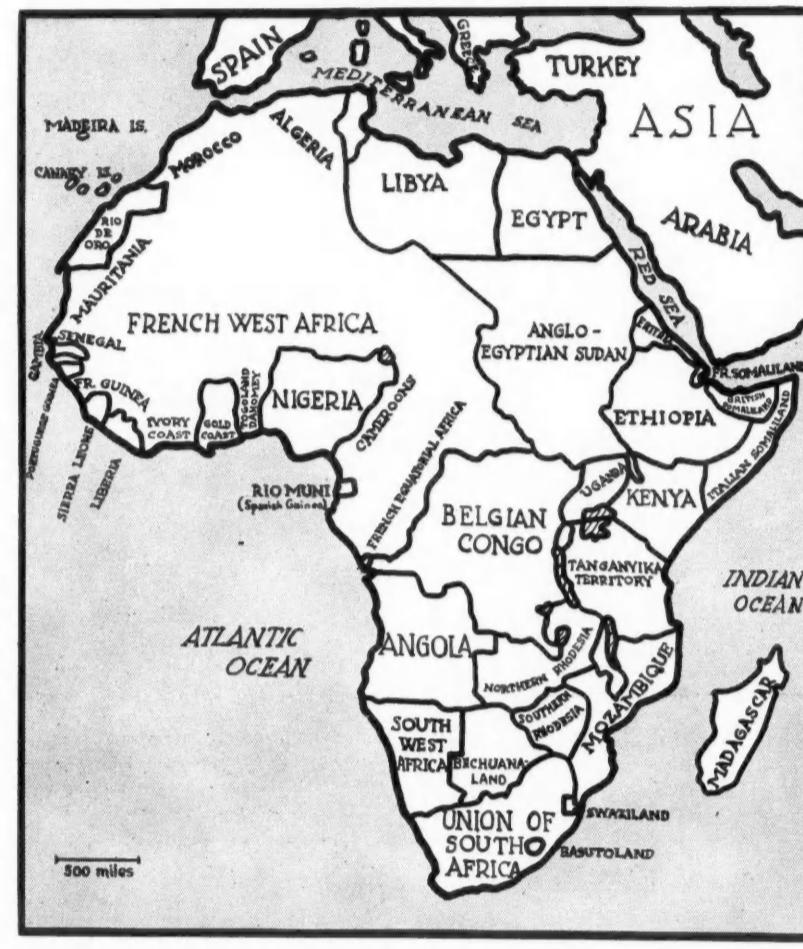
Going further west to the huge expanses of the Sahara Desert in French West Africa, we find comparative quiet. The native population and Arabs are too scattered and too removed from the problems of the day to rally to any particular banner. Nor is there any sign of unrest in the mandate of Tanganyika, formerly German East Africa, which was given over to Great Britain by the League of Nations at the close of the World War. Belgian Congo, which was the scene of the most cold-blooded imperialistic methods of Leopold II after 1885, is slightly more disturbed, for a serious revolt in 1921 has not been erased from the native mind. The next-door neighbor, Southwest Africa, the former property of the Germans, is beginning to awaken to the strident calls of Nazism. German settlers have been pouring in during the past few years, and although the back-to-Germany movement is still young, there are at least the makings of a dangerous situation. The Union of South Africa, now that the Dutch and the English have forgotten their former quarrel, is stronger than ever. Though the natives, working in the mines and in industrial production, are far from satisfied, and their unrest has been magnified by the use of liquor, nevertheless the fears of revolt are unfounded.

Africa's Future?

This brief summary of the important political divisions of Africa proves fairly conclusively that no serious trouble is imminent, in spite of certain specific problems that need careful treatment. Underlying all of these, however, rests one primary question: what is to be the future of the African native? Is he to be Europeanized, and is Africa eventually to be for the Africans? As in most weighty questions, there are two opposing schools of thought. One maintains that all the advantages of our western civilization should be given freely and openly to the African; the other holds, with equal pertinacity, to the view that the native should be kept in a state of semi-slavery, educated but little and respectful of the European as a superior and a master.

At present, the first school of thought appears to be winning the battle. After the first rush to exploit the country was over, colonial administrations began to pay attention to native problems. Schools were established, hospitals and clinics were provided to shut out the ever-existing danger of disease. The Christian religion was pronounced by God-fearing missionaries of all sects, and sincere attempts were made to give the native an idea of self-government. These efforts have been steadily pursued in most sections. What is to be the result? Doubtless as soon as the native is properly educated, he is going to think of complete independence. He will see, even more clearly than today, the

(Concluded on page 7, column 4)



—Drawn for The American Observer
AFRICA, LAND OF COLONIES

What shall be the nature of popular control over the great Leviathan of government?

How shall we reconstruct the thousands of governments, state, city, county, township, school district, now so sadly upset by modern methods of communication, and hanging so ill together in a twentieth century environment?

What shall be the position of the world's most powerful nation in the great family of states, in a world's political and legal order struggling to emerge from anarchy and war, but in imminent danger of slipping back?

How shall we maintain a reasonable balance between the center and the circumference—between national unity and local self-government?

How shall we recruit, train and hold administrative officials competent to deal with the great social and economic problems which government must aid in solving?

And likewise how shall we recruit and retain political leadership in whose integrity, competence and vision the community may have full confidence?

How shall we reorganize our drifting and conflicting attitudes toward government and politics in such a way that governmental service and servants may take their necessary place of power and prestige in a modern world where political authority becomes increasingly important?

How shall we adapt an antiquated judicial system to a modern environment in such a manner as to restore the prestige of the processes of civil and criminal justice?

What types and forms of government-owned corporations or similar agency shall be developed on the border line between government and business?

How shall we make the fullest use of the contributions of science and technology in the activities of government? What use shall we make of education as an instrument of social control, and particularly of civic education?

How shall we preserve equality in the face of economic inequality, or liberty in the fact

maintained a friendly and prosperous commerce with the African.

Except for one brief uprising in 1921, however, the natives (outnumbering the whites 100 to 1) have been docile enough to submit. Then, too, the English system of "indirect rule" has given the native some reason for contentment. By this system, the native chiefs have been given as much power as possible, their customs and ways of justice are allowed almost full sway, and even taxation matters are entrusted now to their handling. Thus, instead of the chief being a political appointee, he has become the traditional representative of the people, and is respected as such by the colonial administration. This advanced method of rule has ironed out many of the former difficulties.

Sudan's Economic Problem

Anglo-Egyptian Sudan, under the joint control of Britain and Egypt, does not constitute so much of a problem. To be sure, Egypt would like to possess it outright, but the Sudanese, remembering former Egyptian rule, are perfectly satisfied with the *status quo*. Many of the native population are forced, because of lack of water, to lead a nomadic existence, wandering from place to place and picking up a meager existence from the slave traffic or cattle raids. This fact, when it is also known that the Sudanese bear no love toward the Ethiopians, makes any sort of a unified revolt or campaign of assistance most improbable. However, if Mussolini

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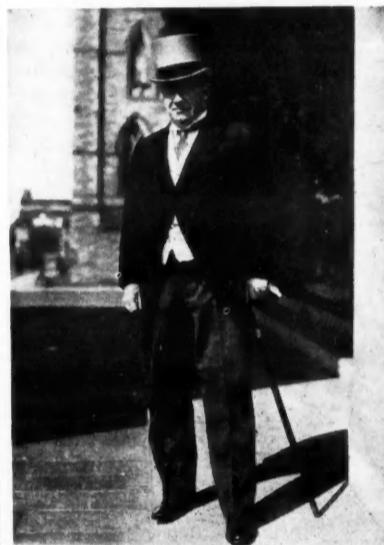
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AROUND THE WORLD

Italy-Ethiopia: Within the next few days the last peaceful means of settling the Italo-Ethiopian dispute will be exhausted. What the League of Nations Council meeting will do to insure peace or to thwart Italy's aggression is difficult to predict. A strong stand will doubtless make the chances of a general conflict greater, unless economic sanctions are adhered to by all the nations. A weak stand will mean the virtual end of the League, since its usefulness as a peace organization will be recognized as of no value.

That the burden rests on the League is the result of an emergency meeting of the British cabinet, in which it refused to take economic sanctions against Italy, and announced that the arms embargo on both countries would be indefinitely continued. The British decision was influenced largely by an admiralty report which disclosed Great Britain's inability to hold Italy in



PRIME MINISTER BALDWIN © Aeme

check in the Mediterranean. Word from the dominions seems to have influenced their decision as well, for practically unanimously they announced themselves opposed to any war in defense of so small and backward a country as Ethiopia. Furthermore, there existed in the cabinet a small but powerful group which, following the lead of Lords Beaverbrook and Rothermere, Britain's supreme isolationists, was adamant in its insistence that Britain keep her hands off.

Meanwhile Italy made it known through *Giornale d'Italia*, which usually reflects official governmental opinion, that sanctions would definitely mean war. In this editorial also appeared warning that closing of the Suez Canal or the lifting of the arms embargo for Ethiopia would be considered as an unfriendly act, likely to lead to further complications. The Italian viewpoint is well expressed in the following excerpt: "Nobody in Italy thinks of touching the British Empire, and everyone in Italy expects that the British Empire will not touch Italy, and not thwart her plans when following the example and methods of Britain herself when she seeks to secure territory she needs for her safety and to give work for her sons. Let it be understood that nothing will cause Italy to withdraw."

Austria, through the mouth of her vice-chancellor, Prince von Starhemberg, has announced that she is solidly behind Italy in her undertaking. Austrian Nazis are also in favor of it, but only in hopes that it will make possible the *Anschluss*. France remains quiet and undisturbed. Premier Pierre Laval is still keeping both eyes fixed on the situation, but is taking no steps in fear of losing the support of either Great Britain or Italy.

In Yugoslavia, there has been more un-

rest. Especially in Croatia and Dalmatia have there been radical uprisings against municipal councils, which the police and the army have been powerless to crush. Yugoslavia's position in the order of things becomes increasingly important. Her hatred of Italy, her closer bond with Germany, and her membership in the Little Entente simply do not mix. This week, the Little Entente will meet—a meeting which may draw a new course of action in the Danubian sector of Central Europe.

Germany: The echoes of Dr. Hjalmar Schacht's recent speech criticizing the anti-Jewish movement as damaging to trade have not yet died away. Many German officials have come to his support, stating that the present legal status of the Jews must be fixed immediately, and urging less violent measures. A report covering the entire question is now being drawn up and will be submitted to Reichsfuehrer Hitler upon his return from his summer place at Berchtesgaden.

Dr. Schacht himself has lodged an emphatic protest against the suppression of his speech in the newspapers, and has openly clashed with Dr. Joseph Goebbels, minister of propaganda, on the subject. There was even some talk of Schacht's resignation, but this report is not new, and is not taken seriously. However much he may disagree with the anti-Semitic measures, he is too confirmed a National Socialist and too much interested in seeing Germany's economic resurrection come true to resign at this time.

Meanwhile, with the whole question still hanging in mid-air, Julius Streicher continued his tirades against the Jewish race. At Dresden he issued an "order of the day," to be read at the weekly assemblies of industrial workers, which denounced the Jews as a "mixture of Nordics, Mongols, and Negroes, carrying in their soul the bad qualities of all these races." Other large cities followed out, without even temporary relief, programs intended to drive the Jews away.

China: Not sooner out than in again. That is the story of Wang Ching-wei who resigned for the third time as premier and foreign minister of China, and then was persuaded to come back on the job once more.

Wang, one of China's most famous revolutionaries and an ardent disciple of the late Dr. Sun Yat Sen, founder of the Chinese Republic, has recently complained of extreme ill health. This was the reason given out for his resignation. Others, however, say that he resigned to precipitate a national crisis, get the united support of the government, and then return stronger than before.

It is no secret that Wang's views have changed in recent years. Formerly bitter against Japan and its policy of encroachment, he now advocates nonresistance. This stand has lost him the support of many young people who, in a search for some plan which will unify disintegrated China and solve some of her economic ills, have now turned to Communism. The fight against this growing movement is being pursued vigorously by Generalissimo Chiang Kai-shek, who became the dictator of the country largely through the support of Wang himself.

Ecuador: This little country had three presidents in one day last week and suffered no ill effects, thus writing another amusing chapter in the ups-and-downs of Latin-American politics.

This rather farcical occurrence took place without any revolution or bloodshed. It started when President Velasco Ibarra, who has had a stormy year in office because of unconstitutional methods, dismissed Congress and pronounced himself dictator. The army refused to follow him, and he was promptly marched off to jail.

When the next day dawned, he was still nominally president, since he had not resigned. However, Dr. Antonio Pons, premier and next in line of succession, took his place just the same. Since Pons had resigned as premier when Ibarra proclaimed himself dictator, Congress decided to give the presidency to someone else—this time to the head of Congress.

Now Ibarra has officially resigned, and Pons has taken his place—for good. In spite of this rapid changing of leaders, the country remained calm, and aside from Congress and the army, no one appeared particularly interested.

Japan: The five-year plan for expansion of the Japanese army means that 584,000,000 yen (\$170,696,000) will be spent annually. These figures, submitted recently to the Finance Ministry, do not tell the whole story, for the purchasing power of this sum is three times greater in Japan than in the United States.



—Elderman in Washington Post
AW, SHUT UP!

The announcement of this huge sum scatters to the four winds the hopes of the advocates of sound finance, and signifies another very definite victory for the militarists. Much of the sum has been designated for Manchoukuo, where Japan intends to build up her air force to a level with Russia, which now has over 600 planes centered in the Far East.

Almost coinciding with this news comes the report that the Japanese government is not satisfied with the Chinese attitude. It has sent very definite word to Chiang Kai-shek that it expects more co-operation in the future, and less opposition from Nanking.

Replying to Great Britain's proposal for another naval conference, Japan gave the word that she would be only too willing to attend, provided that parity is conceded. This answer leaves unchanged her former attitude which wrote an end to the Washington Naval Treaty of 1922.

Chaco: A hitherto unconsidered possibility, the formation of an entirely new nation, seemed a probable outcome to the Chaco war between Paraguay and Bolivia. This new republic would be formed of the Bolivian provinces of Beni and Santa Cruz and would be the seventh largest nation in South America.

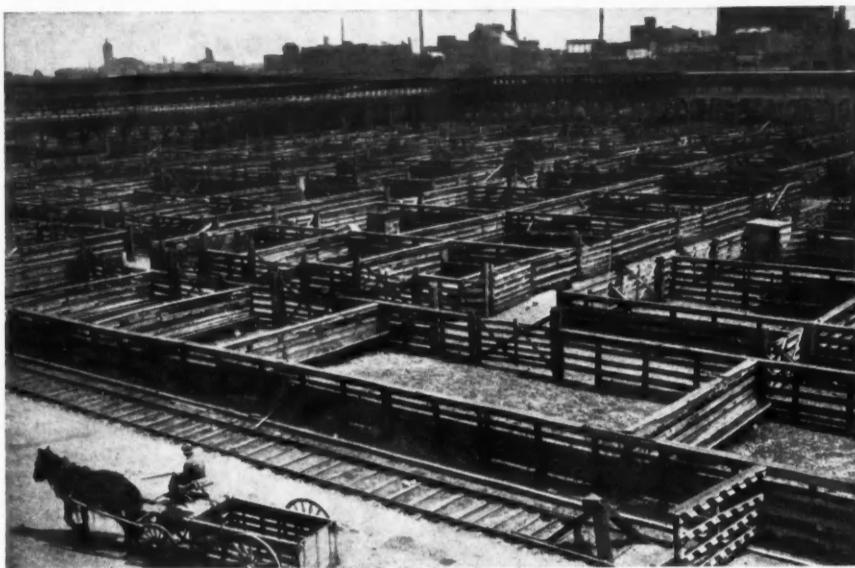
The peace conference between these two nations has been in session for several months without much progress. Neither nation seems willing to make any concessions, and Paraguay announced recently that she was only too willing to aid the people of Santa Cruz to gain their independence. There is a reason for this, as the inhabitants of both have many racial and traditional ties which bind them close together. In addition, Santa Cruz has never been too friendly with Bolivia, because of the age-old dislike of people of the lowlands (Santa Cruz) for people of the high plateaus (Bolivia). Several attempts to gain freedom, the last one in 1924, have been made.

Though this appears as one solution to the problem, in reality it will not nor cannot be final. The people of Bolivia, if they knew that Paraguay was giving assistance to Santa Cruz, would never consent to such action. The chances are that if Paraguay goes ahead with her declared plans, the Chaco war will resume with greater fury.



HOME OF A WEALTHY CHINESE FARMER

© Ewing Galloway



DROUGHT OR AAA?

Whatever the cause hog pens in the Chicago stockyards are empty and the price of hogs has soared to \$12.05 a hundredweight. Loud complaints over rising food prices are proving a serious embarrassment to Secretary of Agriculture Wallace.

The President

Frowns

Franklin D. Roosevelt this week frowned at his Senate when with only half an hour's debate it rushed through the Nye neutrality resolution, binding America not to ship arms to any warring nation; instructed his State Department to induce the House to modify it, giving the President power to restrict trade with either or both warring sides, thus giving him something to trade, barter, and haggle with nations on the verge of war.

Again he bestowed a frowning, unwilling blessing on his rebellious House, when it passed a compromise utility death sentence provision. Terming the compromise "a greater recession than I should like to see made," the President nonetheless advised his House adherents to support it as the best possible compromise deal for this session.

Congress

Two Paths

Twenty-one years ago this summer when Gavrillo Princip, Serb student, shot and killed an Austrian archduke in the quiet provincial town of Sarajevo, few Americans sensed the danger that day, that week, or even that month.

Today every newspaper reader knows that Italy's invasion of Ethiopia may be the spark which sputters down the fuse, ending in the explosion of European peace.

Reflecting this tense uneasiness, the American Senate, working toward adjournment, stopped proceedings last week to consider means of keeping America out of the next general European war.

Reviewing the diplomatic trail of 1914-1917 which led America unwillingly but almost inevitably into the European conflict, the Senate studied pitfalls and disastrous turning points on that trail with a view toward avoiding them in the future.

There are two possible methods of keeping America out of wars. The first, favored by the late President Wilson and American internationalists, would commit America to a world system for compulsory arbitration of disputes which lead to war. This road the American Senate has consistently refused to follow since its rejection of the League of Nations Covenant just after the World War, and its more recent rejection of the World Court.

The second method, favored by the Senate and by American isolationists, would provide for a redefining of American neutrality. Our insistence on our rights as a neutral to trade with fighting nations involved us in the World War. Today all admit that no nation can insist on such rights and still be free of danger of being dragged into the next world conflict. In modern war, rifles, cannon, and munitions are just as valuable—sometimes even more valuable—to a fighting nation than man power.

Its enemies must endeavor at all cost to shut off such supplies. As the Allies told America just after she entered the World War in 1917, American munitions, wheat, and meat would be even more useful than American soldiers in European trenches. Later the Allies found they needed American soldiers as well, but that is another story.

America's new neutrality, proposed by senators favoring her "splendid isolation" from Europe and distrustful of the old neutral rights, was embodied in the Nye resolution, which provided in brief:

1. In the event of war between two or more foreign states, it shall be unlawful to export arms, ammunition, or any implements of war from the United States to any warring nation, or to any neutral port for reshipment to such a nation.
2. The President may, by proclamation, enumerate a list of these prohibited munitions or war commodities.
3. Violation is punished by a fine of \$10,000, and five years in prison.

4. The President may forbid foreign submarines from entering American ports (as Germany's *Deutschland* did in 1916).

5. He may also forbid Americans to travel on ships of warring nations (—*Lusitania*, *Arabic*, etc.).

Under these five terms, should Italy declare war upon Ethiopia, President Roosevelt might forbid any shipment of arms or munitions from Dupont or Bethlehem Steel to Italy, a measure which would not greatly discommodate Italy as she already has ample war supplies. He might, if he chose, forbid Americans to travel on Italian ships—in hypothetical fear of their being sunk by the imaginary submarines of land-locked Ethiopia—thereby disrupting Italy's profitable American tourist business and throwing her Italian Line into bankruptcy.

But under this resolution's terms, the President could not forbid the export of American food to Italy, nor its transportation to Italy—or to any other warring nation—in American ships.

Thus Senator Nye can introduce such a resolution, and senators from other agricultural states support it, without fear of backfire from



HOW NOT TO KEEP OUT OF IT
—Elderman in Washington Post

The Week in the

What the American People Are Doing

their constituents. Italy, or any other warring country, could thus buy its food from America, and be free to move its farm labor from its fields into munitions factories or trenches.

In the last war both American agriculture and American industry profited temporarily by sales to warring countries. In the next war, American agriculture would profit, American industry would not.

Widows and Orphans

Bald, pudgy-faced Howard C. Hopson, utilities magnate who directed Associated Gas and Electric's lobby against the holding company death penalty bill, last week threw a senatorial lobby investigating committee into a high state of moral indignation when he blandly admitted abandoning "appeals to reason" for "emotional appeals" to save the investment of "widows and orphans" in his fight against the bill.

"It was necessary, in my opinion," said Hopson, "to show there was another side.



JOHN N. GARNER
Will visit the Philippines and Japan
—From a drawing by W. S. Woerner in Forum

When the opposition appealed to emotion, then we had to do so, too."

"Did you think about widows and orphans when you were selling those stocks and securities?" demanded Senator Minton.

"We did, and we would be paying dividends now had it not been for more than \$15,000,000 we had to pay out because of NRA, increased taxes, and reduced rates," fired back Hopson.

No side of any public controversy neglects emotional appeals. Swayed strongly by visions of crepe-draped widows and wet-eyed orphans, public opinion wavers between appeals to protect widows' and orphans' utilities investments, and other charges that widows' and orphans' pennies are being extorted through unreasonable rates by heartless utility monopolies.

War

Mars Mechanized

At New York's Pine Camp, trim young American captains and lieutenants, paunchy brigadier and major generals of the United States army's First Division, last week watched with complacent pride experimental maneuvers of the War Department's new mechanized units.

Inspecting officers peered through clouds of dust as motorized cavalry clattered by—29 men operating two six-wheel, five-ton armored cars, capable of a speed of 55 miles per hour, each complete with three machine guns and a two-way voice radio—the United States army's flying scouts for the next war.

Then came the thunder of the United States army's three tanks (technical improvements have led the War Department to junk all previous ones) 12-ton forts flying by the com-

placent inspectors at 69 miles per hour, carrying one-pound artillery and .30 caliber machine guns,—rumbling, clanking, flying as to war.

Among the khaki uniforms at Camp Pine was one of a different shade and cut. Captain Yasuo Nakayama, Japan's official observer at the maneuvers, his emperor's military attaché at Washington, stood with the group of inspecting American officers as the mechanized First Division thundered by, exchanged technical comments with them, ate at their mess was pleasant, bland, courteous.

Citizens and Bayonets

Because she might refuse to obey a government command to don a uniform, drill with a rifle, and finally plunge its bayonet into the entrails of a foreign soldier, Federal Judge Hugh D. McClain of Boston last week denied American citizenship to Mrs. Gertrude Anna of Corning, New York, British-born wife of an American Methodist pastor.

Although not himself bloodthirsty, Judge McClain explained he had no alternative under a 5-4 decision of the Federal Supreme Court in 1931, interpreting an act of Congress which compels all foreign applicants for United States citizenship to swear to bear arms in defense of their adopted country.

Native-born Americans are not required to take such an oath, may in fact secure exemption from active military service if they can prove that they have conscientious objections to war.

Overseas

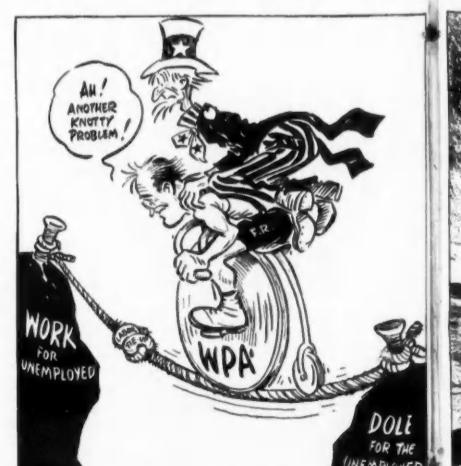
Birth of a Nation

Since depression tightened American purse strings, congressional junkets overseas have become unpopular with constituents and infrequent. In the olden golden twenties each Congress before adjourning would authorize for its members "tours of inspection" under which congressmen got an ocean voyage and a vacation at government expense under the guise of looking after affairs and studying conditions in Alaska, the Philippines, Canal Zone and Puerto Rico, the government furnishing a navy transport and providing each congressional "inspector" with a fat per diem allowance for hotel rooms, meals, and expenses ashore.

The first important junket since 1929 is popular with congressmen for two reasons: first because its expenses will be paid, not by United States taxpayers, but by those of the Philippine Islands, and secondly, because Filipinos have invited them to see the opening of the Island's new commonwealth government, offered by the American Congress last year, approved by Filipinos in a plebiscite last spring.

Under it, the Philippines will be self-governing, except:

1. Their foreign relations will be conducted by the United States State Department.
2. President Roosevelt and his successors



TRICK RIDING IS A PLEASANT BUSINESS
—Hungerford in Pittsburgh Post-Gazette

The United States

Re Doing, Saying, and Thinking

must approve all Philippine legislation affecting currency, coinage, imports, exports, and immigration.

3. All decisions of Philippine courts may be appealed to and reversed by the United States Supreme Court.

4. America will keep troops and naval bases on Philippine soil.

5. If America thinks it necessary "for the preservation of the commonwealth government, life, liberty, or individual property," she may intervene.

Thus five stout strings are tied to America's gift of self-government to the Philippines. But in 10 years these five strings to Philippine liberty are severed, all American control ceases and the Islands are left to sink, swim, or be annexed by Japan, as completely free from American guidance, protection, or exploitation as Afghanistan or Turkey.

But for a decade her commonwealth government gives her many new liberties, leaves her not quite so free as Canada, much freer than India. This decade begins November 15, when the first president and congress (to be elected September 17) of the new Philippine commonwealth will take office.

For this solemn occasion grateful Filipinos have invited all American congressmen, their wives and "hostesses," to be the Philippine commonwealth's guests on an all-expense ocean tour.

According to present plans, Vice-President Garner (representing President Roosevelt), about 100 congressmen and an indeterminate number of congressional wives and hostesses, will sail from Seattle October 10 on the Dollar Liner *President Grant*, and will arrive in Manila November 8 for a 12-day stay.

The most important stop-over is Japan, where Japanese foreign office officials plan to make an event of the presence of Vice-President Garner, highest ranking American official ever to visit Japanese shores.

Coming at a time when Japanese-American relations are strained over the prospective rupture of the 5-5-3 naval ratio, press commentators compared the Garner visit with that of Taft in 1907, when as secretary of war he delivered in Tokyo a speech which quieted Japanese suspicions and susceptibilities roused by California's anti-Japanese legislation.

Others wondered whether the slant-eyed Texan, more noted for his ability as a quiet political fixer in Congress than as a smooth diplomatic phrase-maker, could do as slick and suave a job of the international amity business as polished, easy-going William H. Taft did in 1907.

Business

Hard-Boiled

While American preachers discussed whether or not Italy's war with Ethiopia was moral, American diplomats, whether or not it could be avoided or postponed, hard-boiled American speculators pondered the question of whether



A PROMISE OF BETTER DAYS
—From The Scranton Times

or not it would be profitable, and if so, who stood to win or lose. Their answer came on the day the unsuccessful Geneva conference broke up. Italy's lira sold off two and one-half points on the New York exchange (speculators think a war would hurt Italy) while Dupont stock (smokeless powder) hit a new high of 114 (speculators think a war would help munitions).

Agriculture

Praise or Blame?

Who raised American food prices? Savage Republican critics of the administration charge that Secretary of Agriculture Wallace's answer to this question depends on who asks it.

If farmers ask it, these critics say he claims credit for the AAA's production control policies.



© Harris and Ewing
THE GREAT SEAL OF THE UNITED STATES
The reverse side (lower) will be placed on the back of the new dollar bills issued by the Treasury

If consumers ask it, they charge he lays the blame on last year's drought.

Last week the question was asked by Mrs. Mary Zuk, Detroit firebrand who had helped organize the Detroit housewives' buying strike against high meat prices. Led by Mrs. Zuk, five buying-strikers marched on Washington and into the office of the secretary of agriculture with a list of complaints, demands, and questions.

To Secretary Wallace's suggestion that "we can't have a frank discussion with the press present," Mrs. Zuk answered that Detroit housewives preferred "an open discussion."

"Is the government going to see that meat prices are reduced 20 per cent?" she demanded.

"Under drought conditions," explained the secretary, "it is impossible to guarantee future meat prices."

"Why does the government pay farmers not to raise little pigs?"

The government, explained Secretary Wallace, was only concerned with not raising pigs for a European market which no longer exists, and then in his turn asked Mrs. Zuk: "Do you believe farmers are making too much money?"

"Not at all!" retorted Mrs. Zuk.

"The other question," continued the secretary suavely, "is whether the packers are making an unfair profit. That is something that would have to be determined."

"Any housewife knows meat prices have gone up!" exploded Mrs. Zuk. "The packers have made money. I don't think there's any excuse for these high prices, and we aren't going to buy any meat until they come down."

As Secretary Wallace grabbed his hat and departed in the face of a fresh barrage of questions, reporters told Mrs. Zuk that Congressman Clarence Cannon of Missouri had suggested that packers had inspired her dele-



© Wide World

THE AMERICAN ARMY MANEUVERS
All the latest devices of modern warfare were brought into play at Pine Camp, New York, recently when some 56,000 troops engaged in the greatest peacetime exercises ever staged.

gation's protest against the processing taxes.

"That's a dirty lie," observed Mrs. Zuk, "and we intend to tell Mr. Cannon so. Our expenses were paid with pennies, nickels, and dimes from Detroit housewives. It was money saved by not buying meat!"

Science

Theories-Certainties

Sensational press services, which announce about thrice a year that cancer has at last been "cured," proclaimed a new remedy last week from Rochester, Minnesota. What the famous Mayo Clinic actually announced was far less than this.

Three members of its research staff reported to the American Chemistry Society's San Francisco meeting the results of experiments in physio-chemistry. Noting that a heavy concentration of lead frequently appears in cancer cells and that these cells, being unable like normal ones to throw it off, sometimes decay and dissolve, the Mayo researchers asked consent of 85 "incurable" cancer cases to experiment.

They dosed each dying man with enough lead phosphate to produce acute lead poisoning, reported that 14 seemed to have completely recovered from cancer.

Careful Mayo scientists were quick to point out that:

1. Only 14 of the 85 were "cured."
2. Cancer may come back to some or all of the 14.

3. Of the 14, seven had received irradiation treatments as well, so only seven temporary cancer cures can with scientific certainty be ascribed to lead poisoning alone.

Many millions of dollars spent yearly for many years probing into the cause and cure of cancer have resulted in a general theory, but few certainties.

The theory: that cancer seems to be a wild and ungovernable growth of the body's normal tissue cells caused by disturbances in the delicate bodily chemistry which comes with old age, which have their origin in the malfunctioning



ON THE HORNS OF A DILEMMA
—Herblock in Winfield Daily Courier

of one or more of the many ductless glands whose complicated and little-understood secretions regulate the chemical balance of all living tissue.

First certainty: cancer can usually be cured by surgery or x-ray if caught early enough in a part of the body where such treatment is possible.

Second certainty: if this is not possible, death from cancer is slow but inevitable.

Third certainty: from the bubbling test tubes of the world's bio-chemists, as a result of their combined efforts within the next decade, will come either a preventative or a cure of this lingering horror of old age.

Miscellany

Repackaging

Many manufacturers, seeking to boost sales figures out of depression doldrums, have submitted their products to industrial designers for "repackaging."

Streamlined, pastel-colored labels are printed in attractive modernistic type. The radio, stove, icebox, cosmetic or patent medicine then leaps ahead as a sales leader because the public eye is caught by its new, crisp, simple beauty.

Recently the staid old Bureau of Printing and Engraving, fired by this modern trend, submitted plans for a repackaged dollar. The new \$1.00 silver certificate will bear the familiar United States seal—an eagle clutching in its left claw an olive branch, in its right a bundle of arrows, its beak the motto "E Pluribus Unum." But a new departure in design was the Bureau's decision to revive from obscurity and include on its repackaged dollar the United States seal's almost forgotten reverse side—an unfinished pyramid capped by an angrily staring Eye of God, beneath which runs the motto, "Novus Ordo Seclorum" (A new order for the ages) above which is inscribed, "Annuit Coeptis," literally translated as "He [Divine Providence] Favors Our Undertakings."

The sedate Bureau of Engraving remained deaf to Republican jibes that motto No. 1 should be translated as "A New Deal on Earth," Motto No. 2 as "God Help Us."

Germ-Defiers

Hammers thumped and nails squeaked this week along the Potomac as government workers demolished many acres of rough pine shelters erected to house many thousand boy scouts, whose international Jamboree was recently called off by President Roosevelt because of the east coast's infantile paralysis scare.

Defying bacillus poliomyelitis, several delegations of scouts who were already en route continued to Washington, wandered about the marble halls of government buildings, craned their necks at statues, high ceilings, were photographed on the Capitol's steps, demonstrated to all the scout virtues of trustworthiness, loyalty, helpfulness, friendliness, courtesy, kindness, obedience, cheerfulness, thrift, bravery, cleanliness, reverence.—W. L. W.

Among the New Books

Salmon Chase's Daughter

"Kate Chase: Dominant Daughter," by Mary Merwin Phelps. (New York: Thomas Y. Crowell. \$3.)

KATE CHASE is neither the most lovable nor the most ethical female character in American history; but certainly she is one of the most interesting and exciting. Daughter of Salmon P. Chase, secretary of the treasury in the Lincoln cabinet, and later chief justice of the United States Supreme Court, Kate was ambitious for her father, seeking to make him president of the United States. She is said to have married the wealthy governor of Rhode Island, William Sprague, solely for his money, as she thought the Sprague fortune would enable her to push her father into the White House.

On the social front, Kate Chase was as dominating a figure as ever graced the Washington scene. Even the wife of the President is said to have developed a genuine dislike for Dominant Kate because she forced Mrs. Lincoln into the background. All the episodes in this adventurous life, including particularly the political maneuvering, are told by Miss Phelps with understanding and assurance.

Everyday Life of Birds

"Wild Birds at Home," by Francis H. Herrick. (New York: D. Appleton-Century Company. \$4.)

PROFESSOR HERRICK is one of the outstanding authorities on birds in the United States. He spent about 30 years studying the bald-headed eagle, and his whole life has been devoted to observations of different aspects of bird life. His "Home Life of Wild Birds" and "The American Eagle" are classic works in the field.

"Wild Birds at Home" deals with almost every part of the life cycle of birds. The mating period, the art of nest-building, care of the young, peculiar habits of different birds; all are treated with great skill. Professor Herrick has chapters on the cuckoo, the herring gull, and the different nesting habits of the robin, the barn swallow, the vireo, and the oriole. Interest in the book is enlivened by an explanation of the methods and technique of bird study and by the numerous illustrations.

The German Religious Struggle

"God Among the Germans," by Paul F. Douglass. (Philadelphia: University of Pennsylvania Press. \$3.)

EVER since Hitler seized control of the German government he has been in conflict with the churches. The struggle



MEAL TIME

From an illustration in "Wild Birds at Home."

which has been taking place in the Third Reich is perhaps the most bitter struggle between church and state in modern times. It is the purpose of Mr. Douglass' book to treat, in an extremely detailed manner, the extent of the religious controversy in Germany, involving both the Protestant and the Roman Catholic Churches.

In order to prepare the reader for details of the religious struggle, Mr. Douglass devotes considerable space to a discussion of the religious philosophy of National Socialism. He goes back to the pre-war period and points out how religious thought was undergoing fundamental changes which were to affect so vitally the later development of the Reich. The contribution of Alfred Rosenberg to Nazi dogma is treated in detail, as are the works of other theologians and philosophers. The underlying principles of the German Christians, who have throughout the recent controversy exerted the greatest influence, are elucidated in full by the author. Finally, the whole dispute between Hitler and the Protestant churches is recalled in all its details.

Throughout his book, Mr. Douglass maintains an attitude of complete impartiality. It is not his purpose to condemn or condone the religious program of the National Socialists. All he sets out to do is to explain and interpret, and it is this quality which lends value to his book. This book is an essential addition to the already voluminous literature on the National Socialist movement in Germany.

On Behalf of Democracy

"Fascism and Citizenship," by George Norlin. (Chapel Hill: The University of North Carolina Press. \$1.)

ONE would expect this book to be a treatise on the political philosophy and practice of Hitler's Reich, since Mr. Norlin, who is president of the University of Colorado, spent many months in Germany, both before and after the advent of Hitler, as guest professor at the University of Berlin. It is no such thing. After a preliminary, and somewhat inadequate, discussion of the failure of liberalism in Germany and the rise of National Socialism, Mr. Norlin embarks upon what might be called a treatise on the American Dream, or the Promise of American Life, or the Opportunity of American Democracy. Throughout, he undertakes, by quoting generously from writings on the subject, to clarify and make a strong appeal for an appreciation of the idealism which inheres in the American heritage.

In the main, Mr. Norlin ignores the economic issues confronting American life today and devotes the bulk of his book to the spiritual values which should be emphasized in a democracy and which can be realized only in a democracy. His greatest indictment of fascism, whether it be of the Italian or the German stripe, is that it hampers the human being in his higher aspirations. The gist of his short book is given in the concluding paragraph dealing with America's challenge: "To root ourselves firmly in our soil and our tradition, to cherish and enrich our culture, to create a spiritual climate in which our hearts

and minds shall be really free to grow and expand to the fulness of their powers—that and nothing less is the challenge to our nation now that it must adventure anew and nobly save or meanly lose the last best hope on earth."

From the Magazines

"Breaking into Politics," Anonymous. *The Forum*. September, 1935.

From the earliest days of our republic, a good deal has been written and said about the need for gentlemen in politics. It was



KATE CHASE

From an illustration in "Kate Chase, Dominant Daughter."

argued that the affairs of the modern state were too complex and too important to be entrusted to run-of-the-mill politicians; the remedy was an influx of educated men into the political scene. "Anonymous," who evidently writes from a long experience of politics, is one who answered this call, and here he writes about what his decision meant, what the chances are for a successful career in elective office.

"Anonymous" is not very encouraging. First, he says, it is impossible for any man to elect himself. Whatever he thinks of the leading political organizations, he will have to join one of them if he expects to have any chance with the voters. Then, getting on the ticket is only half the battle, and not the worse half. The campaign itself requires tremendous reserves of mental and physical endurance, for the candidate is forced to meet and talk with everybody in his district, to interest himself in their most minor concerns, and to make promises and contributions at every turn. If he is elected, he will have to abandon most of his pet projects, or enter into political trades with other legislators and officials, often to support bills with which he has little sympathy. And once he is in the limelight, he must face a continual running fire of attack, true and untrue, general and personal, from the newspapers of his district.

Few young men contemplating a political career, "Anonymous" believes, know much about its disadvantages. They see themselves in an heroic role, drafting valuable legislation, governing through principle rather than expediency, and carving a durable place for themselves in the gratitude of their constituents. Because of his fear that such young men may be too easily discouraged by the obstacles they are bound to meet, "Anonymous" paints the blackest side of the picture. But he concludes with the hope that politics will always have an "irresistible appeal" to worthwhile men, because the government of men is "an endless and an exciting adventure."

"Is Roosevelt Changing?" by Raymond Clapper. *Review of Reviews*. August, 1935.

Mr. Clapper interprets the conservative point of view of President Roosevelt's leadership during the year 1935. He believes that the last session of Congress saw

THOUGHTS AND SMILES

We can't say whether the deep ruddy complexion of a Vice President is due to outdoor life in his native Texas or just holding his breath. —*Atlanta Constitution*

A card authority declares that a game resembling bridge was played a thousand years ago. And it still is. —*Florence (Ala.) Herald*

Experience is not what happens to a man; it is what a man does with what happens to him. It is a gift for dealing with the accidents of existence, not the accidents themselves. —*Aldous Huxley*

George Bernard Shaw says he has written a movie scenario which he will sell to the movies for a quarter of a million dollars. That's a good idea for a scenario itself. —*Detroit Free Press*

A hick town is a place where a telegram is opened with a prayer. —*Thomaston (Ga.) Times*

Most people would die sooner than think; in fact, they often do. —*Bertrand Russell*

A depression is when you are down in the hole without a ladder, and a boom is when you are up in the air without wings. —*Dallas Morning News*

Learn right at the outset not to play with the spoon before you take the medicine. —*George Horace Lorimer*

You can't fool all the people all the time, but it isn't necessary. A majority will do. —*Portland (Me.) Express*

Italy is reported ready to spend \$800,000,000 on a war. For the money it could purchase Ethiopia outright and buy every inhabitant a minstrel suit. —*Tacoma Ledger*

When war can be carried to everyone's backyard, as the airplane can do it, the people will pronounce war at an end. —*Henry Ford*

An optimist, we take it, is one who has already spent the first installment of the Townsend \$200-a-month pension in advance. —*Albany Evening News*

the President making a choice that he had tried for three years to avoid—the choice of a path to the left which would alienate all his friends and supporters of the right. That choice was forced on him. When the Supreme Court outlawed the NRA in the Schechter case, the President saw the whole groundwork of the recovery program crumbling under his feet, for all the New Deal legislation implies a crossing of state lines by the federal government and that crossing had just been forbidden by the Court. Thus, Mr. Clapper says, President Roosevelt was driven to an attack on the Supreme Court. The same kind of attack was made by Theodore Roosevelt in 1912, when he put into his platform a plank demanding public recall of judicial decisions, and it had the effect of turning the conservatives against him. Franklin Roosevelt, by criticizing the Court's power, and by opening the question of amending the Constitution to limit the Supreme Court, made his choice. "Mr. Roosevelt," Mr. Clapper believes, "parted company with those who never were for his program at heart. He dropped the attempt to harness the divergent forces, and started out anew with the one horse of which he felt sure."

Even then the President had not quite made up his mind. He tried to steal thunder from the extreme left by suggesting a new tax bill, but the left immediately demanded a concrete measure, and Mr. Roosevelt had to throw caution overboard and order the drafting of the tax bill just passed by Congress. This bill, Mr. Clapper contends, was more than the President wanted. It forced him still farther to the left, and he is there to stay. The last year has seen the end of conservative faith in Mr. Roosevelt, according to Mr. Clapper, and has placed his destiny in the hands of America's left wing. Meanwhile, the hasty expedients to which the President has been driven may appear, as soon as the battle smoke has blown away, to be serious political blunders.

Food and Drug Legislation Held Until Next Session

One of the bills overlooked in the haste for an adjournment of Congress was the Copeland food and drug act. The purpose of this bill, which was drawn up early in the session by Undersecretary of Agriculture Tugwell and Senator Royal S. Copeland of New York, is far-reaching. It is designed to make drug stores safe for the American public—and not only drug stores, but grocery stores, newspapers, magazines, radio stations, and all other agencies engaged in the distribution of food, drugs, cosmetics, and health appliances to the people. It would make it possible for the secretary of agriculture to prevent dishonest advertising and to set up higher standards of purity for these vital products.

The Old Law

Hardly anyone denies that new legislation is needed. The food and drug act now in existence was enacted by Congress in 1906 when Theodore Roosevelt was president. It is looked upon as one of the important achievements of his administration because it was the first real attempt to check the injury resulting from the use of prepared drugs and it set up safeguards against the sale of spoiled foods. It specifically prohibits manufacturers of drugs from placing labels or brands on their products making all kinds of exaggerated and untrue claims.

But while the prevention of false labeling has been helpful in curbing the distribution of quack and often harmful medicines it has not, by any means, done away with all evils. The 1906 law made no provisions to cope with dishonest advertising, nor did it give the Department of Agriculture any authority over cosmetics and over mechanical "health aids" such as weight reducers, body stretchers, snore eliminators, and so forth.

Great injury to the user may be caused by the application of drugs and cosmetics sold over the drug store counter and widely advertised in newspapers, magazines, and by radio stations. Undersecretary of Agriculture Tugwell, who has done much work on behalf of the new Copeland bill, claims that "believing some of the advertising they hear by radio and read in publications, people today are using dangerous fat-reducers and are thereby impairing their health; . . . they are using 'safe' hair dyes only to get lead poisoning for their trouble and money; they are taking radium water and are breathing their last; . . . they are trying to treat stomach ulcers with worthless tablets; . . . they are stuffing themselves with worthless nostrums and if, in spite of the nostrum, they get well, they sit down and write testimonials for the manufacturers."

Of course, it must be emphasized that the manufacturers of harmful drugs, cosmetics, and mechanical devices constitute only a minority of the total trade in those products. Most manufacturers do not dispense injurious articles, and while they may resort to a certain amount of exaggeration in their advertising they do not make completely misleading statements. It is to the "minority of evaders and chiselers," as President Roosevelt put it in his recent message to Congress on the subject, that the new bill is directed. It seeks to accomplish the following things:

1. Bring together all the work of regulating and enforcing pure food and drug legislation under the Department of Agriculture. At present these duties are divided between the Department of Agriculture and the Federal Trade Commission, the government agency which supervises trade practices in interstate commerce.

2. Establish two advisory committees to give counsel to the secretary of agriculture in matters pertaining to foods, drugs, and cosmetics. These committees are to be appointed by the President. One would be composed of five members chosen on the basis of their scientific ability. The other board would consist of seven members, three representing the public, two repre-

senting industry, and two the food and drug administration of the Department of Agriculture.

3. The secretary of agriculture would have the power to issue regulations affecting the sale of foods, drugs, and cosmetics, but only after they had been approved by the advisory committees. Thus, a check is placed on the secretary of agriculture.

4. The sale of impure and dishonestly branded cosmetics would be prevented. False advertising of cosmetics would be

products which could no longer be sold if the bill were made into law. In a number of cases good businesses have been built up by the sale of drugs which may be entirely harmless and worthless, or decidedly injurious, but in any case dishonest. Under the proposed laws these companies would be confined to statements of direct fact, not only on their labels but also in their advertising. They would either have to change their products drastically or retire from business.

And some publishing interests oppose the bill purely because they fear a decline in advertising revenue, which is the life blood of nearly all commercial publications. This is true chiefly of cheap fiction magazines, small daily and weekly newspapers and

the record of the food and drug administration for a wise discharge of its duties over a number of years. The department, they say, has always been reasonable in its dealings with manufacturers. Moreover, they point out, the Supreme Court itself has ruled that there is nothing illegal in "trade puffing," or in the making of glowing statements to advertise products. But, it is argued, there is a difference between boasting and truth. It is in this latter respect that the Copeland bill seeks to correct abuses.

In Support

Supporters of the bill insist that the powers should be given to the Department of Agriculture and that the matter should not be left with the Federal Trade Commission. The Department of Agriculture, they say, is scientifically equipped to do the work of inspection and supervision. The food and drug administration has been in existence since 1927 and has a personnel trained to handle food and drug problems. In addition to this it is argued that the Federal Trade Commission has not been very successful in curbing unfair advertising. Shrewd lawyers working for manufacturers have succeeded in delaying and even preventing action by the trade commission. It is agreed that the trade commission has done some valuable work but it is maintained the Department of Agriculture will do a better job of enforcing the law.

The bill was passed by the Senate but it was still pending in the House when the President's order to hasten adjournment was relayed to both houses of Congress. Every session has its quota of "dead" bills, which are not close enough to passage during the last days to rush through, and which must wait until the next session is convened. The Tugwell-Copeland bill shares the same fate as the ship subsidy bill (discussed in *THE AMERICAN OBSERVER* of July 29, 1935), and the Frazier-Lemke farm bankruptcy bill, which is designed to put a moratorium on farm mortgage foreclosures throughout the country such as that now in effect in Minnesota. Sometimes "dead" bills stay dead when Congress reconvenes, but each of these three bills is sufficiently important to its sponsors to insure renewed activity when the Congress returns to Washington.

AFRICA'S NATIVE PROBLEM

(Concluded from page 2, column 4)

possibilities for wealth which lie dormant in Africa's tremendous resources, and he will desire them for his own. Railroads, highways, and the airplane are bringing him closer to other parts of Africa's multifold life.

Influence of Religion

Religion, too, is a growing influence in his life. Inspired by the narration of David's victory over Goliath and the tempo of such hymns as "Onward, Christian Soldiers," more than one self-styled native prophet has arisen in the last decade to proclaim the necessity for freedom. Here, the opposing group points out, is just one proof of the mistake of "enlightening" the native. To them, as to many others, it is clear that the white population, liberal though it may be, will hardly allow the native to take part in governmental matters or social relationships on an equal plane. And yet, they maintain, education is sure to bring on this impasse. They are not opposed to giving the native the benefits of medicine and a few luxuries, or even teaching of a practical nature, but they strenuously object to instruction in European ideas and ideals. This will be fatal to European interests in the end, they maintain, and there is much truth to their statements. Between these two extremes—the sentimental humanitarian, who believes all should be given to the native without much regard for the future, and the unemotional, practical businessman who is prone to look at the problem as a matter of dollars and cents—some clear path must be laid out. Otherwise Africa is bound to remain a perplexing, and a dangerous problem for the world.



—Courtesy U. S. Food and Drug Administration

THE DANGER OF CANDY PACKAGES CONTAINING PRIZES

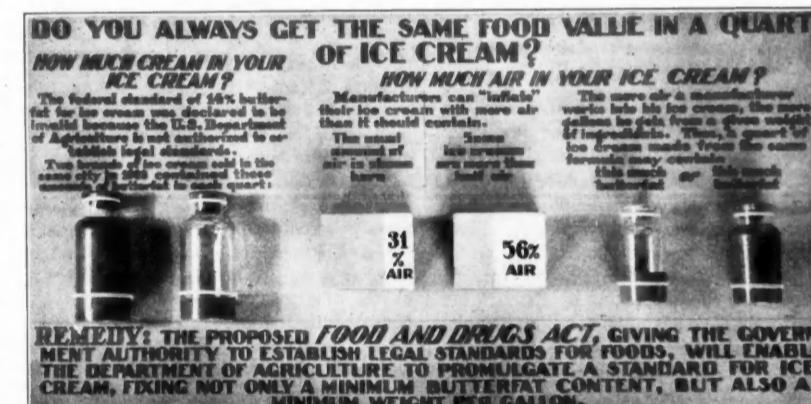
banned. The same is true of mechanical devices.

5. The manufacturer or distributor who puts out false advertising of foods, drugs, and cosmetics will be held responsible. The medium through which that advertising reaches the public (newspapers, radio stations, etc.) will not be responsible but will be obliged to give the government full information with regard to those who place the advertising.

6. The secretary of agriculture would have the power to establish standards of quality for all canned or preserved foods. He would also have the power to prescribe the minimum amounts of poisonous matter (preservatives, etc.) which may be added

to other periodicals which obtain much of their revenue from advertisements of patent medicines, mechanical devices, and other products which may be harmful. Opposition from this group, however, is wanting. There has been such a strong campaign to marshal public opinion against the sale of injurious drugs that the advertising of such products is not as popularly received as it formerly was.

More serious complaint against the bill is made on the ground that it places too great powers in the hands of the secretary of agriculture. Publishers argue that it would give him a virtual dictatorship over a considerable portion of advertising and that this would serve to throttle business. Man-



—Courtesy U. S. Food and Drug Administration

AN EXAMPLE OF THE EVILS WHICH THE PROPOSED LAW SEEKS TO CURE

to food products within his jurisdiction.

7. If drugs are habit-forming, the fact must be stated on the label.

These are the principal provisions of the Copeland food and drug act as introduced into the Senate. There are several other food and drug bills in Congress but the Copeland act is the only one which is being seriously considered. It is, naturally, meeting with severe opposition.

Opposition

The chief opponents of such strict food and drug legislation come from a number of the manufacturers themselves and from newspapers and magazines. Some of these interests are against the bill for purely selfish reasons; others disfavor it because they sincerely think it will not accomplish its purpose.

The selfish opposition consists, of course, of manufacturers who turn out the prod-

ucts which could no longer be sold if the bill were made into law. In a number of cases good businesses have been built up by the sale of drugs which may be entirely harmless and worthless, or decidedly injurious, but in any case dishonest. Under the proposed laws these companies would be confined to statements of direct fact, not only on their labels but also in their advertising.

They would either have to change their products drastically or retire from business.

Advocates of the bill are prompt to answer these charges. They contend that the secretary of agriculture would not become a "czar" over advertising. They point to

First Session of Seventy-Fourth Congress Closes

(Concluded from page 1, column 1)

ary appears insignificant and unimportant. Most of it deals with measures already put into operation by the first New Deal Congress. Since most of the agencies created during the 1933 session were for only two years' duration, it was Congress' duty to give them a new lease on life or let them die a natural death. In nearly every case, their charter was extended. The first act of the last session was to extend for two additional years the life of the Reconstruction Finance Corporation and to extend somewhat its powers to lend money to private organizations. It was authorized, for example, to lend a total sum amounting to \$300,000,000 to organizations engaged in financing sales of electrical equipment, plumbing fixtures, air-conditioning appliances, in order to stimulate the government's house renovation program. Both the Federal Emergency Relief Administration and the Public Works Administration were extended long enough to permit the agencies in charge of the new works-relief program to get into full swing. Amendments to the

ance payments are to be made will be raised by a tax on the payrolls of the nation. In the case of the old-age pensions, employer and employee will be taxed an equal amount, the full tax of three per cent going into effect in 1949. In the case of unemployment insurance, the tax will be paid solely by the employers, and will amount to three per cent of the total payroll in 1938, when the plan is finally in full operation.

Labor Relations

The second major victory of labor in the recent Congress was enactment of the Wagner-Connery labor relations bill, known as the Wagner labor bill. The purpose of this piece of legislation was to clarify and make permanent the famous section 7-a of the NRA, which was the source of so much friction and misunderstanding during the existence of that agency. That new law guarantees to labor the right to organize and bargain collectively with employers, and establishes a permanent National La-

stabilization bill is, in fact, a victory for workers in the bituminous coal industry. In effect, this piece of legislation establishes for that industry a miniature NRA structure. A commission is established to control the industry. Wages and working conditions, including hours, are to be governed by collective bargaining between employers and employees. All mine operators will be taxed heavily on their production, but those who adhere to the terms of the code will be refunded practically the entire amount of the tax. By thus using its taxing power, the federal government hopes to bring all mine operators into line.

Three other reform measures demand attention. They are the banking bill, the holding company bill, and the tax bill. Each of these measures is designed to correct specific abuses which are said, in one way or another, to have been responsible for the 1929 crash. The banking bill enables the federal government, among other things, to control credit and currency in a way that it has not been able to do under the existing Federal Reserve System. The holding company legislation, although it does not comply entirely with the President's wishes as outlined to Congress, is designed in some cases to eliminate the great superstructure of holding companies, like the late Insull empire, and in others to regulate them so rigidly as to prevent the many fraudulent practices which are known to have existed in the past. Finally, the tax bill has as its major purpose the redistribution of wealth.

Banking Bill

The new banking bill is one of the most complex and technical passed during the session. It constitutes the most drastic changes in banking practices since the passage of the Federal Reserve Act in 1913. The directors of the Federal Reserve System have been changed under the new law, and they have been granted far more power than was enjoyed by those under the old law. Perhaps the most important feature of the bill, so far as the future financial policy of the government is concerned, deals with the open-market operations of the Reserve System. A special open-market committee is established under the act. Its decisions will be binding upon the entire banking system of the nation, whereas under the old law, each of the 12 regional banks was free to carry out whatever policies it deemed wise.

The sponsors of the new banking law believe that control of open-market operations will enable the Federal Reserve System to check unhealthy booms which might develop in the future. If the committee in charge of these operations feels that the banks of the nation are lending too much money for expansion, as they were in 1928 and 1929, it can have the Federal Reserve banks sell government bonds. Since these bonds are bought by the commercial banks, these banks would have less money to lend to businessmen and the credit expansion would be stopped before it got out of control.



SECURITY FOR YOUTH AND AGE

The social security bill passed this session has been hailed as the most vital piece of legislation enacted in many years. (Illustration from "Cabins in the Laurel," by M. E. Sheppard, U. of N. C. Press.)

Perhaps the most controversial issue of the entire session was the holding company legislation demanded by the President. The point at issue was whether the "death sentence" should be imposed on holding companies in the electric utility field. The holding company is a device by which a few individuals, through the investment of a relatively small amount of money, may control large chains of other companies. The President believed such control to be against the public interest and should be done away with. Until the last minute of the session, it appeared that Congress would be unwilling to impose the death sentence, since the House had repeatedly voiced its opposition to that feature of the bill. Finally a compromise was agreed upon, outlawing a number of holding companies and restricting the activities of those remaining.

The tax bill, main cause of the prolonged session, has found few friends in either house of Congress, although it was accepted. On the one hand, it was criticized for not raising enough revenue to wipe out an appreciable part of the deficit. On the other, it has been called a political gesture, aimed to win the support of the masses, who will not be affected by it, by "soaking" a few of the great fortunes of the nation.

These are the main accomplishments of the first session of the Seventy-fourth Congress. Scores of other measures have been acted upon. The President received only one major defeat, and that was the Senate's refusal to make the United States a member of the World Court. He was forced to veto the bonus bill passed by both houses late in May. The latter part of the session was deeply affected by the activities of the Supreme Court which threw out the most basic of all recovery agencies, the NRA. Later legislation was shaped with an eye to the Supreme Court, certain laws which were declared invalid having been rewritten so as to come within the limitations of the Constitution. As the Congress, tired and bedraggled, went home, its eyes were still focused on the nine justices who were expected to have still more to say about the batch of New Deal legislation it has just completed.



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WHEN PRESIDENT ROOSEVELT CHECKED THE BONUS DEMAND
The Chief Executive went in person to Congress and delivered a strong speech explaining his veto of the bonus. It killed the chances of such legislation for the remainder of the session.

Agricultural Adjustment Administration were passed by both houses and signed by the President. Other recovery agencies created in 1933 were extended by Congress.

Reform

On the reform side of the legislative picture, by far the most important act of Congress was the passage of the Wagner-Lewis bill, providing for the establishment of a nation-wide system of unemployment insurance and old-age pensions. This is the most ambitious social security program ever attempted with a single stroke by any government. In addition to its unemployment insurance and old-age pension features, the bill provides for aid to dependent children, assistance in promoting the health of mothers and children, and the extension of other social services. The fund from which both old-age pensions and unemployment insur-

ance Relations Board whose main function will be to prevent "unfair labor practices." It clearly defines five of these unfair practices on the part of an employer: (1) Interfering with or coercing employees in collective bargaining; (2) dominating a labor organization or contributing to its financial support; (3) discriminating in employment with a view to encouraging or discouraging membership in a labor organization; (4) discharging an employee for filing charges under the act; (5) refusing to bargain collectively with representatives of his employees.

The Guffey Bill

Although not designed specifically to smooth out labor relations, the Guffey coal

Something to Think About

- In your opinion, which of the measures enacted by the last session of Congress will have the greatest effect in altering the traditional economic practices of the United States?
- How did labor benefit more from legislation passed during the last session than during any previous session?
- Is it true to say that the first New Deal Congress was an "emergency" Congress and the second one a "reform" Congress?
- Why is it considered unlikely at the present time that an Italo-Ethiopian war will provoke disturbances in other sections of Africa?
- In your opinion, should Africa be Europeanized, or should it be left to work out its own destiny?
- Why is it considered important that food and drug legislation be enacted at the earliest possible moment?
- Do you think the United States is pursuing a dangerous course by enacting neutrality legislation at this time?

Think About

- What, according to Professor Merriam, are the outstanding problems confronting government?
- Does the latest proposal for a solution to the Chaco problem seem promising?
- Do you favor application of the sanctions under the League of Nations Covenant against Italy? Why?

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PRONUNCIATIONS: Wang Ching-wei (wang ching way), Chaing Kai-shek (chyang ki shek-i as in ice), Hjalmar Schacht (hyal'mar shahkt), Santa Cruz (san'ta krooz), *Giornale d'Italia* (jor-nah'lay dee-tah'lya), Velasco Ibarra (vay-las'ko ee-bar'rah).